Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 1 of 42 000742 65-0773649 GRACE HELLAS E.P.E Form 5471 (Rev. 5-2001) Other Information Schedule G During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership?.... If "Yes," see the instructions for required attachment. During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?.... If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity. Current Earnings and Profits (See the instructions.) Schedule H Important: Enter the amounts on lines 1 through 5c in functional currency. 9.667. Current year net income or (loss) per foreign books of account...... Net adjustments made to line 1 to determine current Net Net earnings and profits according to U.S. financial and tax **Subtractions** Additions accounting standards (see instructions): a Capital gains or losses..... ● Charges to statutory reserves..... 3,625 Taxes..... 0. Total net subtractions..... 5a 6,042. 5b 6,042. 5c C Combine lines 5a and 5b..... d Current earnings and profits in U.S. dollars (fine 5c translated at the appropriate exchange rate as defined in 5d 5,394. section 989(b) and the related regulations) (see instructions)........... 0.8927500 Enter exchange rate used for line 5d > Summary of Shareholder's Income From Foreign Corporation (See the instructions.) Schedule I 1 2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions)..... Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the 3 3 instructions) Previously excluded export trade income withdrawn from investment in export trade assets (line 7b. Worksheet D 4 5 ---Factoring income

Exchange gain or (loss) on a distribution of previously taxed income..... Yes No Did any such income become unblocked during the tax year (see section 964(b))?.... If the answer to either question is "Yes," attach an explanation.

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Total of lines 1 through 5. Enter here and on your income tax return. See instructions

SCHEDULE J . (Form 5471)

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(Rev. May 2001)
Department of the Treasury
Internal Revenue Service

Accumulated Earnings and Profits (E&P) of Controlled Foreign Corporation

► Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number 65-0773649

Name of foreign corporation

GF	RACE HELLAS	E.P.E					
Important. Enter amounts in functional (a) Post-1986 Undistributed Earnings (post-86		Undistributed	(b) Pre-1987 E&P Not Previously Taxed (pre-87	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P
	urrency.	section 959(c)(3) balance)	section 959(c)(3) balance)	oction 959(c)(3) Invested Invested in Excess (iii) Subpart F			
1	Balance at	1			1		
	beginning of year	-63,354.	13,084.		ļ		-50,270.
2a	Current year E&P	6,042.					
þ	Current year						
	deficit in E&P	<u></u>					
3	Total current and	· · -					
	accumulated E&P						
	not previously taxed (line 1 plus line 2a,						
	minus line 2b)	-57,312.	13,084.				
4	Amounts included						
	under sec. 951(a) or reclassified under section 959(c) in current year				:		
5a	Actual distributions or reclassifications of previously taxed E&P					 	
ь	Actual distributions						
	of nonpreviously						
	taxed E&P						
6a	Balance of					. 0::80010381.901000-10110-1	
	previously taxed						
	E&P at end of year						
	(line 1 plus line 4, minus line 5a)			0 .	0.	0.	
Ъ	Balance of E&P not			<u> </u>	0.	U.	
	previously taxed at						
	end of year (line 3	.					
	minus line 4, minus	-57,312.	13,084.				
7	line 5b) Balance at end of	-31,312.	13,004.				
•	year. (Enter amount						
	from tine 6a / line 6b, whichever is applic.)	-57,312.	13,084.	0.	0.	0.	-44,228.
For	Paperwork Reduction	Act Notice, see the	Instructions for Fe	orm 5471.		Schedule J (Fo	rm 5471) (Rev. 5-2001)

Schedule J (Form 5471) (Rev. 5-2001)

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SCHEDULE M (Form 5471)

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(Rev. May 2001)
Department of the Treasury
Internal Revenue Service

Transactions Between Controlled Foreign Corporation and Shareholders or Other Related Persons

Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number 65-0773649

Name of foreign corporation

GRACE HELLAS E.P.E

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule Euro 0.8927500 (C) Any domestic corporation or partnership controlled by U.S. person filing this return (d) Any other foreign corporation or partnership controlled by U.S. person filing this return (e) 10% or more U.S. pareholder of controlled (f) 10% or more U.S. shareholder of any (a) Transactions (b) U.S. person filing this return foreign corporation (other than the U.S. corporation foreign corporation controlling the foreign corporation person filing this return) 1 Sales of stock in trade (inventory)...... 2 Sales of property rights (patents, trademarks, etc.). 3 Compensation received for technical, managerial, engineering, construction, or 316,909. like services...... 4 Commissions received 5 Rents, royalties, and license fees received..... 6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income). 8 Premiums received for insurance or reinsurance..... 9 Add lines 1 through 8 0. 0. 316,909. 0. ο. 10 Purchases of stock in trade (inventory)...... 11 Purchases of tangible property other than stock in trade 12 Purchases of property rights (patents, trademarks, etc.). 13 Compensation paid for technical, managerial, engineering, construction, or like services..... 14 Commissions paid..... 15 Rents, royalties, and license 16 Dividends paid 17 interest paid **18** Add lines 10 through 17 0. 0. 0. 0. 0. 19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions . . . 20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 4 of 42

000742 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES GRACE HELLAS E.P.E

Statement 1 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

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Description	Functional Currency	U.S. Dollars
OTHER INCOME INTER CORP. OTHER INCOME	-1,218 354,882	-1,087 316,821
Total	353,664	315,734

000742 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES GRACE HELLAS E.P.E

Statement 2 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

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Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION ADVERTISING GENERAL STATIONARY AND SU TELEPHONE COMMUNICATIONS UTILITIES REPAIRS AND MAINTENANCE INSURANCE SERVICE CHARGES	3,924 21,469 5,822 55,155 2,388 112 1,462 639	3,503 19,166 5,198 49,240 2,132 100 1,305 570
Total	90,971	81,214

Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 6 of 42 09/03/2002

W. R. GRACE & CO. & SUBSIDIARIES

Statement 3 65-0773649

GRACE HELLAS E.P.E

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Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	-1,475	-5,437
Total	-1,475	-5,437

Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 7 of 42

000742 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES GRACE HELLAS E.P.E

Statement 4 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 7 -- Other Investments

	=======================================	=======================================
Total	1,733	1,751
MISCELLANEOUS INVESTMENTS	1,733	1,751
Detail Description	Beginning	Ending

Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 8 of 42

000742 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES GRACE HELLAS E.P.E

Statement 5 65-0773649

Tax Year Ended 12/31/2001

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Form 5471 Page 3 Schedules

Schedule F, line 12 -- Other Assets

Detail Description	Beginning	Ending
DEFERRED CHARGES	916	1,490
Total	916	1,490

Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 9 of 42

000742 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES GRACE HELLAS E.P.E

Statement 6 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE INCOME TAXES PAYABLE ACCRUED CURRENT LIABILITI INDEMNITIES, PENSIONS AND INTER CORPORATE BAL. WITH	17 -22,555 17,734 172,913 916	-28,738 14,693 183,924 707
Total	169,025	170,586

Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 10 of 42

000742 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES GRACE HELLAS E.P.E

Statement 7 65~0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 17 -- Other Liabilities

Detail Description NON CURRENT DEFERRED TAX		Beginning	Ending	
NON CURRENT DEFERRED	TAX	-50,546	-47,954	
Total	•	-50,546	-47,954	
			===========	

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Information Return of U.S. Persons With OMB No. 1545-0704 Form **5471** Respect To Certain Foreign Corporations File in Duplicate (Rev. May 2001) ► See separate instructions. (see When and Information furnished for the foreign corporation's annual accounting period (tax year required by Where To File in the Department of the Treasury instructions) section 898) (see instructions) beginning 01/01 2001 , and ending 12/31 Internal Revenue Service Name of person filing this return A Identifying number 65-0773649 W. R. GRACE & CO. & SUBSIDIARIES Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address) B Category of filer (See instructions. Check applicable box(es)): 5400 BROKEN SOUND BLVD. - SUITE 300 2 City or town, state, and ZIP code C Enter the total percentage of the foreign corporation's voting stock BOCA RATON, FL 33487 you owned at the end of its annual accounting period 100.000000% , and ending 12/31 Filer's tax year beginning 01/01 2001 , 2001 Person(s) on whose behalf this information return is filed: (4) Check applicable box(es) (1) Name (2) Address (3) Identifying number Share-holder Officer Director Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated. 1a Name and address of foreign corporation **b** Employer identification number, if any W.R. GRACE HONG KONG LIMI INIT 1001-4 10F. AXA CENTRE C Country under whose laws incorporated 151 GLOUCESTER ROAD, WANCHIA, HONG KONG g Principal business activity **d** Date of incorporation e Principal place of busn. f Principal business activity h Functional currency code number OTHER CHEMICAL 08/28/65 HONG KONG 325900 PRODUCTS MFG Hong Kong Dollar Provide the following information for the foreign corporation's accounting period stated above. a Name, address, and identifying number of branch office or agent b If a U.S. income tax return was filed, please show: (if any) in the United States (ii) U.S. income tax paid (i) Taxable income or (loss) (after all credits) NONE C Name and address of foreign corporation's statutory or resident d Name and address (including corporate department, if applicable) of person (or persons) with custody of books & records of the foreign agent in country of incorporation corporation, and the location of such books and records, if different JOHNSON, STOKES AND MASTER PRINCE'S BUILDING, 17th FLOOR 10 CHATER ROAD, HONG KONG

Schedule A Stock of the Foreign Corporation

Part I — ALL Classes of Stock (b) Number of shares issued and outstanding (a) Description of each class of stock (i) Beginning of annual (ii) End of annual accounting period accounting period COMMON 500 500

Part II — Additional Information for Preferred Stock

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate instructions.

Form **5471** (Rev. 5-2001)

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W. R. GRACE & CO. & SUBSIDIARIES

W.R. GRACE HONG KONG LIMI

65-0773649

Form 5471 (Rev. 5-2001)	ACE HONG KONG HIMI	65-0773		Page 2
Schedule B U.S. Shareholde	rs of Foreign Corporation (See the instruction	ıs.)		
(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(C) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
*W.R. GRACE & CO-CONN 7500 GRACE DRIVE COLUMBIA, MD 21044 13-5114230	COMMON	500	500	
*A WHOLLY OWNED DOMESTIC SUBSIDIARY OF W.R. GRACE & CO.				
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Schedule C Income Statement (See the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

	1			Functional Currency	U.S. Dollars
	10	Gross receipts or sales	10	230,470,429.	29,550,918.
		Returns and allowances	1b		449,046.
	5	Subtract line 1b from line 1a.		226,968,278.	29,101,872.
1	1			 	
Ň	2	Cost of goods sold		185,601,727.	23,797,855.
C	3	Gross profit (subtract line 2 from line 1c)	3	41,366,551.	5,304,017.
M	4	Dividends	4	3,971,224.	509,190.
E	5	Interest	5	392,722.	50,355.
	6	Gross rents, royalties, and license fees	6		
	7	Net gain or (loss) on sale of capital assets	7		
	8	Other income (attach schedule)	8	138,748.	17,790.
	9	Total income (add lines 3 through 8)	9	45,869,245.	5,881,352.
	10	Compensation not deducted elsewhere	10	14,095,081.	1,807,271.
D E	11	Rents, royalties, and license fees	11	8,422,444.	1,079,926.
- D	12	Interest	12		
Ų	13	Depreciation not deducted elsewhere	13	1,170,550.	150,088.
C	14	Depletion	14		
i	15	Taxes (exclude provision for income, war profits, and excess profits taxes)	15	31,431.	4,030.
0	16	Other deductions (attach schedule exclude provision for income, war profits, and			
N S		excess profits taxes)	16	16,665,616.	2,136,865.
_	17	Total deductions (add lines 10 through 16)	17	40,385,122.	5,178,180.
	18	Net income or (loss) before extraordinary items, prior period adjustments, and the			38 86 6 C C C C C C C C C C C C C C C C C
		provision for income, war profits, and excess profits taxes (subtract line 17			
N		from line 9)	18	5,484,123.	703,172.
N C	19	Extraordinary items and prior period adjustments (see instructions)	19	5,152,200	,2,2,2.
ŤM	20	Provision for income, war profits, and excess profits taxes (see instructions)	20	-1,375,479.	-176,364.
Ë	-0	riovision for income, war profits, and excess profits taxes (see instructions)	-20	-1,3/3,4/3.	-1/0,364.
	21	Current year not income or /loca) nor backs /line 19 plus line 10 minus line 20)	21	6,859,602.	879,536.
		Current year net income or (loss) per books (line 18 plus line 19 minus line 20)	:	0,639,002.	0/9,556.

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W. R. GRACE & CO. & SUBSIDIARIES

W.R. GRACE HONG KONG LIMI

65-0773649

Page 3

Form 5471 (Rev. 5-2001) Income, War Profits, and Excess Profits Taxes Pald or Accrued (See instructions.) Schedule E Amount of tax (c) Conversion rate (d) In U.S. dollars (a) Name of country or U.S. possession (b) In foreign currency U.S. HONG KONG 0.

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

	Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	1	771,006.	3,040,017.
2a		2a	5,106,098.	4,264,655.
b	Less allowance for bad debts	2b	(9,216.)	(9,134.
3	Inventories	3	1,159,432.	1,192,478.
4	Other current assets (attach schedule)SEE.STATEMENT. 3	4	41,188.	36,341.
5	Loans to stockholders and other related persons	5		
6	Investment in subsidiaries (attach schedule)	6		
7	Other investments (attach schedule)	7	1,154,122.	1,132,349.
8a	Buildings and other depreciable assets	8a	2,161,256.	2,249,208.
b	Less accumulated depreciation	8b	(1,423,298.)	(1,565,771.
9a	Depietable assets	9a		
b	Less accumulated depletion	9b	((
10	Land (net of any amortization)	10		
11	Intangible assets:			
а	Goodwill	11a		
b	Organization costs	11b		
C	Patents, trademarks, and other intangible assets	11c		
d	Less accumulated amortization for lines 11a, b, and c	11d	((
12	Other assets (attach schedule)SEE. STATEMENT. 5	12	27,340.	9,894.
13	Total assets	13	8,987,928.	10,350,037.
	Liabilities and Stockholders' Equity			
4.4	Accounts was able	14	433,959.	221 462
14 15	Accounts payable	15	607,183.	331,463. 1,576,004.
16	Other current liabilities (attach schedule) SEE . STATEMENT. 6 Loans from stockholders and other related persons	16	355,339.	1,576,004.
17	Other liabilities (attach schedule)	17	66,475.	35,505.
17 18	Capital stock:		00,475.	33,303.
	Preferred stock.	18a		
	Common stock.	18b	6,411.	6,413.
19		19	0,411.	0,413.
20	Paid-in or capital surplus (attach reconciliation)	20	7,518,561.	8,400,652.
20 21	Less cost of treasury stock.	21	/ / / / / / /	0,400,632.
~ 1	Less cost of deasury Stock	 - '	<u> </u>	
22	Total liabilities and stockholders' equity	22	8,987,928.	10,350,037.
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Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 14 of 42

000769 09/03/2002W. R. GRACE & CO. & SUBSIDIARIES W.R. GRACE HONG KONG LIMI

	1 5471 (Rev. 5-2001) W.R. GRACE HONG RONG	TIME	55-07736	* >	Pa	ge 4
Sc	hedule G Other Information					
		_			Yes	No
1	During the tax year, did the foreign corporation own at least a 10%		•			
	partnership?	• • • • •	∐	Х		
_	If "Yes," see the instructions for required attachment.			Г"	-	
2	During the tax year, did the foreign corporation own an interest in a	• • • • •	∐	X		
3	During the tax year, did the foreign corporation own any foreign en	-	•			
	from their owners under Regulations sections 301,7701-2 and 301.			• • • • •	Ц	X
	If "Yes," attach a statement listing the name, country under whose t	aws the entity was organ	ized, and EIN (if any)			
10° 74°	of each entity.		 			
	hedule H Current Earnings and Profits (See the in	•				
	ortant: Enter the amounts on lines 1 through 5c in functional currence	· · · · · · · · · · · · · · · · · · ·		-	6 050 6	~~~
1	Current year net income or (loss) per foreign books of account			1	6,859,60)∠. 7574888
_	Alich additional and the state of the state					
2	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax	Net	Net			
	accounting standards (see instructions):	Additions	Subtractions			
_						
	Capital gains or losses					
b						
C C						
d	· · · · · · · · · · · · · · · · · · ·					
e •	Charges to statutory reserves					
	Taxes		1,375,479.			
g	Other (attach schedule)	1.	1,3/3,4/3.			
3	Total net additions		0.			60 16 16 30 16 16 16 16 16 16 16 16 16 16 16 16 16
4	Total net subtractions.		1 275 479			(100 m)
•	Current earnings and profits (line 1 plus line 3 minus line 4)			50	5,484,12	24
b				5b	J, 101, 12	<u> </u>
c					5,484,12	74
_	Current earnings and profits in U.S. dollars (line 5c translated at the			-	3,101,12	<u> </u>
_	section 989(b) and the related regulations) (see instructions)	• • • •		5d	703,17	74.
	Enter exchange rate used for line 5d ▶		0.128220			
Sc	hedule Summary of Shareholder's Income Fro	om Foreign Corpo)	
····			(<u> </u>		
1	Subpart F income (line 40b, Worksheet A in the instructions)			1	509,23	30.
	, , , , , , , , , , , , , , , , , , , ,					
2	Earnings invested in U.S. property (line 17, Worksheet B in the instr	uctions)		2		
3	Previously excluded subpart F income withdrawn from qualified invi		sheet C in the			
	instructions)			3		
4	Previously excluded export trade income withdrawn from investmen	nt in export trade assets ((line 7b, Worksheet D			
	in the instructions)			4		
5	Factoring income			5		
6	Total of lines 1 through 5. Enter here and on your income tax return	. See instructions		6	509,23	30.
7	Dividends received (translated at spot rate on payment date under	section 989(b)(1))		7		
8	Exchange gain or (loss) on a distribution of previously taxed income	9		8		
					Yes	
	Vas any income of the foreign corporation blocked?					X
	old any such income become unblocked during the tax year (see sec	tion 964(b))?				X
If the	answer to either question is "Yes," attach an explanation.				<u>-</u>	

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SCHEDULE J (Form 5471)

(Rev. May 2001)
Department of the Treasury
Internal Revenue Service

Accumulated Earnings and Profits (E&P) of Controlled Foreign Corporation

▶ Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471
W. R. GRACE & CO. & SUBSIDIARIES

Identifying number 65-0773649

Name of foreign corporation

W.R. GRACE HONG KONG LIMI

In	nportant. Enter	(a) Post-1986 Undistributed	(b) Pre-1987 E&P Not Previously	, , ,	sly Taxed E&P (see s s 959(c)(1) and (2) b		(d) Total Section 964(a) E&P
	mounts in functional urrency.	Earnings (post-86 section 959(c)(3) balance)	Taxed (pre-87 section 959(c)(3) balance)	(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	(combine columns (a), (b), and (c))
1	Balance at						
	beginning of year	68,762,949.				7,137,695.	75,900,644.
2a	Current year E&P	1,512,900.					
b	Current year						1990 200 11 190 190 201 30 100 1
	deficit in E&P						
3	Total current and accumulated E&P not previously taxed (fine 1 plus line 2a, minus line 2b)	70,275,849.					
4	Amounts included under sec. 951(a) or reclassified under section 959(c) in current year	70,273,043.				3,971,224.	
5a	Actual distributions or reclassifications of previously taxed E&P						
b	Actual distributions						
	of nonpreviously taxed E&P						
6a	Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.	11,108,919.	
Ь	Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	70,275,849.	0.				
7	Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	70,275,849.	0.	0.	0.	11,108,919.	81,384,768.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

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SCHEDULE M (Form 5471)

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(Rev. May 2001)
Department of the Treasury
Internal Revenue Service

Transactions Between Controlled Foreign Corporation and Shareholders or Other Related Persons

Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Name of foreign corporation

W.R. GRACE HONG KONG LIMI

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule > Hong Kong Dollar .128222 (C) Any domestic corporation or partnership controlled by U.S. person filing this return (f) 10% or more U.S. shareholder of any (d) Any other foreign corporation or (e) 10% or more U.S. (2) Transactions (b) U.S. person filing this return partnership controlled by U.S. person filing this return of foreign corporation foreign corporation (other than the U.S. corporation controlling the person filing this return) foreign corporation 1 Sales of stock in trade (inventory)..... 35,393. 503,492. 2 Sales of property rights (patents, trademarks, etc.). . . . 3 Compensation received for technical, managerial. engineering, construction, or like services..... 4 Commissions received 90,690. 5 Rents, royalties, and license fees received..... 6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income). 509,230. 8 Premiums received for insurance or reinsurance..... 9 Add lines 1 through 8 0. 35,393. 1,103,412 ٥. 10 Purchases of stock in trade (inventory)............ 5,672,733. 14,101,229. 11 Purchases of tangible property other than stock in trade 12 Purchases of property rights (patents, trademarks, etc.). 13 Compensation paid for technical, managerial, engineering, construction, or like services..... 611,065. 14 Commissions paid..... 15 Rents, royalties, and license fees paid..... 202,941. 16 Dividends paid 17 Interest paid 2,345. **18** Add lines 10 through 17 0. 5,878,019. 14,712,294. 0. 0. 19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions . . . 20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions . . .

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

Statement 1 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

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Description	Functional Currency	U.S. Dollars
OPERATING REVENUE OTHER INCOME INTER CORP. OTHER INCOME	38,546 -607,096 707,298	4,942 -77,842 90,690
Total	138,748	17,790

Statement 2 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

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Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION CHARITABLE DEDUCTIONS ADVERTISING GENERAL STATIONARY AND SU TELEPHONE COMMUNICATIONS OPERATING COSTS UTILITIES REPAIRS AND MAINTENANCE INSURANCE SERVICE CHARGES EXPENSE TRANSFERS	2,277,997 3,500 523,338 632,423 4,407,876 1,786,080 172,313 162,450 416,602 2,933,161 -9,684	292,085 449 67,102 81,089 565,178 229,011 22,094 20,829 53,417 376,090 -1,242
OTHER DEDUCTIONS INTER CORP OTHER EXP.	-388,500 3,748,060	-49,813 480,576
Total	16,665,616 ============	2,136,865

Statement 3 65-0773649

Tax Year Ended 12/31/2001

3.

Form 5471 Page 3 Schedules

Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	41,188	36,341
Total	41,188	36,341
		==========

Statement 4 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 7 -- Other Investments

Detail Description	Beginning	Ending
INVEST. IN CONSOL. SUBS MISCELLANEOUS INVESTMENTS	879,319 274,803	879,593 252,756
Total	1,154,122	1,132,349

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000769 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES W.R. GRACE HONG KONG LIMI

Statement 5 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 12 -- Other Assets

Beginning	Ending
27,340	9,894
27,340	9,894
	27,340

Statement 6 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE INCOME TAXES PAYABLE ACCRUED CURRENT LIABILITI	43,095 174,610 1,094,866	40,740 29,250 775,648
INTER CORPORATE BAL. WITH	-705,388	730,366
Total	607,183	1,576,004

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000769 09/03/2002 W. R. GRACE & CO. & SUBSIDIARIES W.R. GRACE HONG KONG LIMI

Statement 7 65-0773649

Tax Year Ended 12/31/2001

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Form 5471 Page 3 Schedules

Schedule F, line 17 -- Other Liabilities

Detail Description	Beginning	Ending
NON CURRENT DEFERRED TAX	66,475	35,505
Total	66,475	35,505

Information Return of U.S. Persons With OMB No. 1545-0704 Form 5471 Respect To Certain Foreign Corporations File in Duplicate (Rev. May 2001) ► See separate Instructions. (see When and Information furnished for the foreign corporation's annual accounting period (tax year required by Department of the Treasury Where To File in the Internal Revenue Service section 898) (see instructions) beginning 01/01 2001 , and ending 12/31 instructions) Name of person filing this return A Identifying number W. R. GRACE & CO. & SUBSIDIARIES 65-0773649 Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address) B Category of filer (See instructions. Check applicable box(es)): 5400 BROKEN SOUND BLVD. - SUITE 300 2 3 City or town, state, and ZIP code C Enter the total percentage of the foreign corporation's voting stock BOCA RATON, FL 33487 you owned at the end of its annual accounting period 100.000000% Filer's tax year beginning , 20 01 and ending 12/31 2001 Person(s) on whose behalf this information return is filed: (4) Check applicable box(es) (1) Name (2) Address (3) Identifying number Officer Important: Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated. 1a Name and address of foreign corporation b Employer identification number, if any W.R. GRACE SOUTHEAST ASIA 673 NATHAN ROAD, 5 FLOOR C Country under whose laws incorporated KOWLOON, HONG KONG HONG KONG d Date of incorporation e Principal place of bush. f Principal business activity g Principal business activity h Functional currency code number OFFICES OF OTHER 11/13/81 HONG KONG 551112 HOLDING COMPANIES U.S. Dollar Provide the following information for the foreign corporation's accounting period stated above. a Name, address, and identifying number of branch office or agent b If a U.S. income tax return was filed, please show: (if any) in the United States (ii) U.S. income tax paid (i) Taxable income or (loss) NONE (after all credits) C Name and address of foreign corporation's statutory or resident d Name and address (including corporate department, if applicable) of agent in country of incorporation person (or persons) with custody of books & records of the foreign corporation, and the location of such books and records, if different JOHNSON, STOKES & MASTER PRINCE'S BUILDING, 17TH FLOOR 10 CHARTER ROAD, HONG KONG Schedule A Stock of the Foreign Corporation Part I -- ALL Classes of Stock (b) Number of shares issued and outstanding (a) Description of each class of stock (i) Beginning of annual (ii) End of annual accounting period accounting period COMMON 1,014,695 1,014,695 Part II — Additional Information for Preferred Stock (To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock (d) Indicate whether (b) Par value in (Note: This description should match the corresponding (c) Rate of dividend stock is cumulative or functional currency description entered in Part I, column (a).) noncumulative

For Paperwork Reduction Act Notice, see the separate instructions.

Form 5471 (Rev. 5-2001)

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Form 5471 (Rev. 5-2001)

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W.R. GRACE SOUTHEAST ASIA

65-0773649 Schedule B U.S. Shareholders of Foreign Corporation (See the instructions.) (d) Number of shares held at end of annual accounting period (C) Number of shares held at beginning of annual accounting period (b) Description of each class of stock held by shareholder (e) Pro rata share of subpart F income (enter as a percentage) (a) Name, address, and identifying number of shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).) *W.R. GRACE & CO-CONN COMMON 1,014,695 1,014,695 7500 GRACE DRIVE COLUMBIA, MD 21044 13-5114230 *A WHOLLY OWNED DOMESTIC SUBSIDIARY OF W.R. GRACE & CO.

Schedule C Income Statement (See the instructions.)

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

			Functional Currency	U.S. Dollars
18	I Gross receipts or sales	1a		
	Returns and allowances	1b	· · · · · · · · · · · · · · · · · · ·	
. 0	Subtract line 1b from line 1a	1c	0.	0.
N 2	Cost of goods sold	2		
Ċ 3	Gross profit (subtract line 2 from line 1c)	3	0.	0.
0 4	Dividends	4		
M 5	Interest	5	24,249.	24,249.
6	Gross rents, royalties, and license fees	6	21/2131	21,21)
7	Net gain or (loss) on sale of capital assets	7		
8	Other income (attach schedule)	8	15,394.	15,394.
9	Total income (add lines 3 through 8)	9	39,643.	39,643.
10	Compensation not deducted elsewhere	10	33,043.	32,043.
<u>P</u> 11	Rents, royalties, and license fees	11		
E 12	Interest	12		
Ū 13	Depreciation not deducted elsewhere	13		
C 14	Depletion	14	···	
15	Taxes (exclude provision for income, war profits, and excess profits taxes)	15		
0 N 16	Other deductions (attach schedule exclude provision for income, war profits, and			
S	excess profits taxes)	16	-12,956.	-12,956.
17	Total deductions (add lines 10 through 16).	17	-12,956.	
18	Net income or (loss) before extraordinary items, prior period adjustments, and the		12,550.	-12,936.
1	provision for income, war profits, and excess profits taxes (subtract line 17			
	from line 9)	18	52,599.	
: = 19	Extraordinary items and prior period adjustments (see instructions)	19	32,333.	52,599.
M 20	Provision for income, war profits, and excess profits taxes (see instructions)	20		
21	Current year net income or (loss) per books (line 18 plus line 19 minus line 20)	21	52,599.	E2 E00
VA 1	54712 NTF 35687 Copyright 2001 Greatland/Nelcol P Forme Sattware Only		52,599.	52,599

W.R. GRACE SOUTHEAST ASIA 65-0773649 Form 5471 (Rev. 5-2001) Page 3 Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.) Schedule E Amount of tax (a) (b) (d) In U.S. dollars (c) Name of country or U.S. possession In foreign currency Conversion rate U.S. 0.

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

	Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	1	984,451.	1,023,006.
2a		2a	JU4,431.	1,023,000.
b	Less allowance for bad debts	2b	()	,
3	Inventories	3	<u>'</u>	
4	Other current assets (attach schedule)	4	0.	0.
5	Loans to stockholders and other related persons	5	0.	<u> </u>
6	Investment in subsidiaries (attach schedule)	6	·····	
7	Other investments (attach schedule)	7	7	
8a	Buildings and other depreciable assets	8a	1.	1.
b	Less accumulated depreciation	8b	,	
9a	Depletable assets.)	()
b	Less accumulated depletion.	9a		
10	Land (net of any amortization)	9b)	<u>(</u>
11	Intangible assets:	10		
а	0 = 4 - 211			
b	O-manife attended to the state	11a		
c	Detends Appeloused a good the fire was	11b		
ď	Less accumulated amortization for lines 11a, b, and c	11c		
12	Other assets (attach schedule).	11d	· /	()
	Other assets (attach schedule)	12	0.	0.
13	Total assets	13	984,452.	1,023,007.
	Liabilities and Stockholders' Equity		201,432.	1,023,007.
	and the ottornologis Equity			
14	Accounts payable	14	14,044.	
15	Other current liabilities (attach schedule) SEE . STATEMENT. 4	15	28,992.	28,992.
16	Loans from stockholders and other related persons.	16	20,332.	20,332.
17	Other liabilities (attach schedule)	17	0.	0.
18	Capital stock:	**		<u> </u>
а	Preferred stock	18a		
	O	18b		
19	Paid-in or capital surplus (attach reconciliation).	19	2 020 200	2 000 200
20	Retained earnings		2,029,390.	2,029,390.
21	Less cost of treasury stock	21	-1,087,974.	1,035,375.
	,	<u> </u>))
22	Total liabilities and stockholders' equity	22	984.452	1,023,007.
CAA	1 54713 NTF 35688 Copyright 2001 Greatland/Nelco LP - Forms Software Only			

Schedule F

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Balance Sheet

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W.R. GRACE SOUTHEAST ASIA 65-

Page 27 of 42

Form 5471 (Rev. 5-2001) W.R. GRACE SOUTHEAST	ASIA	65-07736	49		Page
Schedule G Other Information					<u> </u>
					/es
1 During the tax year, did the foreign corporation own at least a 10% in partnership?					П
If "Yes," see the instructions for required attachment.					L
During the tax year, did the foreign corporation own an interest in an	v trust?				П
During the tax year, did the foreign corporation own any foreign entiti					ט
from their owners under Regulations sections 301.7701-2 and 301.77					П
If "Yes," attach a statement listing the name, country under whose law					LJ
of each entity.	, ,	, , , , , , , , , , , , , , , , , , , ,			
Schedule H Current Earnings and Profits (See the insti	ructions.)				
nportant: Enter the amounts on lines 1 through 5c in functional currency.					
Current year net income or (loss) per foreign books of account			1	52,	59
_		,		38857882C238	W.Y.
2 Net adjustments made to line 1 to determine current	6.0 - A			76,783.791.80.	
earnings and profits according to U.S. financial and tax	Net Additions	Net Subtractions			
accounting standards (see instructions);	Addidons	Subtractions			ÀS.
a Capital gains or losses					
b Depreciation and amortization					
C Depletion					
d Investment or incentive allowance					
e Charges to statutory reserves					
f Inventory adjustments					Q (#4
g Taxes					
h Other (attach schedule)	0.	0.			513952 100130
Total net additions	0.				
Total net subtractions		0.			
a Current earnings and profits (line 1 plus line 3 minus line 4)			5a	52,	599
b DASTM gain or (loss) for foreign corporations that use DASTM (see in			5b		
C Combine lines 5a and 5b			5c	52,	590
d Current earnings and profits in U.S. dollars (line 5c translated at the a	ppropriate exchange r	ate as defined in			
section 989(b) and the related regulations) (see instructions)			5d	52,	599
Enter exchange rate used for line 5d ▶		1.000000	<u>'a '</u>		<u> </u>
schedule Summary of Shareholder's Income From	n Foreign Corpo	ration (See the instruc	tions)		
1		(000 110 110 110 110			
Subpart F income (line 40b, Worksheet A in the instructions)			1	52,	590
,				327	<u> </u>
Earnings invested in U.S. property (line 17, Worksheet B in the instruc	ctions)		2		
Previously excluded subpart F income withdrawn from qualified inves	tments (line 6b. Works	sheet C in the			
Instructions)			3		
Previously excluded export trade income withdrawn from investment	n export trade assets	(line 7b. Worksheet D.			
in the instructions)			4		
,					
Factoring income	•		5		
		************	-		
Total of lines 1 through 5. Enter here and on your income tax return.	See instructions		6	52,	E 0 0
The state of the state of your moonto tax rotalin.		***************************************	-	24,	393
Dividends received (translated at spot rate on payment date under se	ction 080(h)(1))		7		
56 The state of th	Cuon 303(D)(1))				
Exchange gain or (loss) on a distribution of previously taxed income.			8		
3-3 C			<u> </u>	1/	'es
Was any income of the foreign corporation blocked?					es l
Did any such income become unblocked during the tax year (see section					\dashv
he answer to either question is "Yes," attach an explanation.	504(D)):	••••••			

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SCHEDULE J (Form 5471) (Rev. May 2001)
Department of the Treasury
Internal Revenue Service

Accumulated Earnings and Profits (E&P) of Controlled Foreign Corporation

▶ Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number 65-0773649

Name of foreign corporation

W.R. GRACE SOUTHEAST ASTA

important. Enter amounts in functional currency.		(a) Post-1986 Undistributed Earnings (post-86	(b) Pre-1987 E&P Not Previously Taxed (pre-87	(c) Previou (section	(d) Total Section 964(a) E&P		
		section 959(c)(3) balance)	section 959(c)(3) balance)	(i) Earnings invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	(combine columns (a), (b), and (c))
1	Balance at	-					
	beginning of year	-61,944.	-42,497.			932,542.	828,101.
2a	Current year E&P						
	Current year	' ,,,					
	deficit in E&P						
3	Total current and		<u> </u>			200000000000000000000000000000000000000	
_	accumulated E&P						
	not previously taxed						
	(line 1 plus line 2a,						
	minus line 2b)	-61,944.	-42,497.				
4	Amounts included under sec. 951(a) or reclassified under section 959(c) in current year	į				52,599.	
5a	Actual distributions or reclassifications of previously taxed E&P					32,333.	
ь	Actual distributions						
	of nonpreviously						
	taxed E&P						
62	Balance of						
V E	previously taxed						
	E&P at end of year						
	(line 1 plus line 4.						
	minus line 5a)			0.1	0.	985,141.	
b	Balance of E&P not						88688866655666656666666666666666666666
	previously taxed at]					
	end of year (line 3	l					
	minus line 4, minus	-61,944.	-42 407				
	line 5b) Balance at end of	-O1,344·	-42,497.	X,236.786.53.7897.73			
•	year. (Enter amount						-
	from line 6a / line 6b, whichever is applic.)	_61 044	42 405				
		-61,944.	-42,497.	0.	0.	985,141.	880,700.

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SCHEDULE M (Form 5471) (Rev. May 2001)

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18

Transactions Between Controlled Foreign Corporation and Shareholders or Other Related Persons

Department of the Treasury Internal Revenue Service Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

W. R. GRACE & CO. & SUBSIDIARIES

Identifying number 65-0773649

Name of foreign corporation

W.R. GRACE SOUTHEAST ASIA

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule U.S. Dollar 1.0000000 (C) Any domestic corporation or partnership controlled by U.S. person filing this return (e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return) (1) 10% or more U.S. shareholder of any corporation controlling the (d) Any other foreign (a) Transactions corporation or partnership controlled by U.S. person filing this return (b) U.S. person filing this return foreign corporation foreign corporation 1 Sales of stock in trade (inventory)...... 2 Sales of property rights (patents, trademarks, etc.).... 3 Compensation received for technical, managerial, engineering, construction, or 4 Commissions received 5 Rents, royalties, and license fees received..... 6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income). 7 Interest received 8 Premiums received for insurance or reinsurance..... 9 Add lines 1 through 8 0. 0. 0 0. 0. 10 Purchases of stock in trade (inventory)...... 11 Purchases of tangible property other than stock in trade 12 Purchases of property rights (patents, trademarks, etc.). 13 Compensation paid for technical, managerial, engineering, construction, or like services..... 14 Commissions paid...... 15 Rents, royalties, and license fees paid..... 16 Dividends paid 17 Interest paid 18 Add lines 10 through 17 0 0. 0. 0 19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions . . . 20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Case 01-01139-AMC Doc 3024-2 Filed 11/19/02 Page 30 of 42

000639 09/04/2002

W. R. GRACE & CO. & SUBSIDIARIES

W.R. GRACE SOUTHEAST ASIA

Statement 1 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

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Description	Functional Currency	U.S. Dollars		
OTHER INCOME	15,394	15,394		
Total	15,394	15,394		

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000639 09/04/2002 W. R. GRACE & CO. & SUBSIDIARIES W.R. GRACE SOUTHEAST ASIA

Statement 2 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions .

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Description	Functional Currency	U.S. Dollars		
PROFESSIONAL, CORPORATION	-12,956	-12,956		
Total	-12,956	-12,956		

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000639 09/04/2002 W. R. GRACE & CO. & SUBSIDIARIES W.R. GRACE SOUTHEAST ASIA

Statement 3 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 7. -- Other Investments

Detail Description	Beginning	Ending
MISCELLANEOUS INVESTMENTS	1	1
Total	1	1
		===========

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000639 09/04/2002 W. R. GRACE & CO. & SI

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W. R. GRACE & CO. & SUBSIDIARIES W.R. GRACE SOUTHEAST ASIA

Statement 4 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE INTER CORPORATE BAL. WITH	3,217 25,775	3,217 25,775
Total	28,992	28,992
	=======================================	

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Form 5471		ormation									MB No. 1	545-0704
(Pour Mou 2004)	Res	spect To				orpo	rat	ions			File In Du	plicate
(Rev. May 2001)	Information furn	nished for the for	See separa			na nerio	d (tav	vear re	auired k		see Wher	
Department of the Treasury Internal Revenue Service		e instructions) b				and end		-	, 20 01	. 13	Where To nstruction:	File in the
Name of person filing this		oaao				ing nun			, 2002	- ''		<u> </u>
W. R. GRACE & CO. SUE				1	5-0773	-						
Number, street, & room or suit		. If mail is not delive	red to street addre				(See	instruct	ions. Ch	eck a	pplicable	box(es)):
5400 BROKEN SOUND BLV				·	•	•	•	1 ∏	2	3	☐ 4 x	
City or town, state, and Z				C	nter the	total per	centage	e of the f	oreign coi	porati	on's voting s	
BOCA RATON, FL 33487						d at the e						100%
Filer's tax year beginning 0	1/01	,2001	, and ending 12/	['] 31		, 20	01					
D Person(s) on whose	behalf this inform	nation return is fil	ed:									
/4\ Nome			(O) A d d			(0) 144			(4)	Check	applicab	e box(es)
(1) Name			(2) Address			(3) IGE	nuiyin	g numb	Sh ho	are- ider	Officer	Director
				•								
											1	1
				**************************************			**********				•	
Important: Fill in all app	licable lines and wise indicated.	schedules. All in	formation must	be in the E	nglish la	anguage	All a	mounts	must b	e stat	ted in U.S.	. dollars
1a Name and address of		tion					Т	h Emp	lover ide	ntific	ation num	ber, if any
GRACE ERTEKESITO							`	e cub	oyer ide			Dei, ii aliy
1146 BUDAPEST	4.						-	C Cause			laws incorp	
NAGYBECSKEREK u. 1	14							HUNG	-	wnose	iaws incorp	orated
d Date of incorporation		place of busn.	f Principal bu	reinoce activ	ity o	Principa	l buci			Eun	ctional cui	money
- Cate of moorportation	O Trinoipia p	JIGOS OI DUSII.		number	1 -	EMICAL			uvity I	. Fuir	Cuona Cu	пенсу
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2 Provide the following				ina nerina s			MACL	ESADER	- 1.	iuiga	rıan For	
a Name, address, and				_			turn v	vas filec	nlesse	show	W.	
(if any) in the United		or or branon one	or agoni	b If a U.S. income tax return was filed, please show: (ii) U.S. income tax paid					naid			
(·· ····), ··· ··· · · · · · · · · · · ·				(i) Tax	(i) Taxable income or (loss)			(11)	(after all credits)			
									······	`		'
C Name and address o	f foreign corporat	tion's statutory o	r resident	d Name	and add	ress (in	cludir	ag corpo	orate de	partm	ent, if app	olicable) of
agent in country of in	corporation	·		d Name and address (including corporate department, if applicable) of person (or persons) with custody of books & records of the foreign						e foreign		
	-			corpora	ition, ar	nd the lo	ocatio	n of suc	h books	and	records, it	different
			•									
				NADINE HEGEMANN								
	ck of the Fo	reign Corpoi	ration								·····	
Part I — ALL Class	es of Stock			•								
	***				(b)	Numbe	r of s	nares is:	sued an	d outs	standing	
(a) Des	cription of each o	class of stock				ng of an				(ii) En	d of annu	al
				а	ccounti	ng perio	od		8	ccou	nting perio	od
N/A												
								[
Part ii — Additiona (To be comp	information leted only by Ca			al holding c	ompani	es)						
	ion of each class			<u> </u>			l			1,4) Indicate	whether
	cription should ma				r value		(c) F	Rate of c	lividend	,) Indicate ck is cum	
	on entered in Par			function	al curre	ency	` '				noncumu	
				 						1		
										1		
							-			-		

For Paperwork Reduction Act Notice, see the separate instructions.

Form **5471** (Rev. 5-2001)

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W. R. GRACE & CO. SUBSIDIARIES

GRACE ERTEKESITO KFT.

65-0773649

rom 5471 (Rev. 5-2001)	TERESITO RFT.	65-0773	8649	Page 2
Schedule B U.S. Shareholders	of Foreign Corporation (See the instruction	s.)		
(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder (Note: This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(C) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
*W. R. GRACE & COCONN. 7500 GRACE DRIVE COLUMBIA, MD 21044 13-5114230				
*A WHOLLY OWNED DOMESTIC SUBSIDIARY OF W. R. GRACE & CO.				
			·····	
Schedule C Income Statement	(See the instruction)			100

Important: Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

	1.			Functional Currency	U.S. Dollars
		Gross receipts or sales	1a		
1 N C		Returns and allowances	1b		
	0	Subtract line 1b from line 1a	1c	0.	0.
	2	Cost of goods sold	2		
C	3	Gross profit (subtract line 2 from line 1c)	3	0.	0.
O M E	4	Dividends	4		
	5	interest	5		
	6	Gross rents, royalties, and license fees	6		
	7	Net gain or (loss) on sale of capital assets	7		
	8	Other income (attach schedule)	8	1,179,924.	4,118.
	9	Total income (add lines 3 through 8)	9	1,179,924.	4,118.
_	10	Compensation not deducted elsewhere	10	6,586,880.	22,988.
D E	11	Rents, royalties, and license fees	11	2,096,037.	7,315.
D	12	Interest	12		
ñ	13	Depreciation not deducted elsewhere	13		
Ť	14	Depletion	14		
1	15	Taxes (exclude provision for income, war profits, and excess profits taxes)	15		
O N	16	Other deductions (attach schedule exclude provision for income, war profits, and			
ŝ		excess profits taxes)	16	-8,682,917.	-30,302.
	17	Total deductions (add lines 10 through 16)	17	0.	1.
	18	Net income or (loss) before extraordinary items, prior period adjustments, and the			
1		provision for income, war profits, and excess profits taxes (subtract line 17			
NN		from line 9)	18	1,179,924.	4,117.
NCO.	19	Extraordinary items and prior period adjustments (see instructions)	19		
ŤŇ	20	Provision for income, war profits, and excess profits taxes (see instructions) $\ldots \ldots$	20		
-	21	Current year net income or (loss) per books (line 18 plus line 19 minus line 20)	21	1,179,924.	4,117.
<u></u>		64742 AUT 05007 0 0 1100010 110 110 110 110 110 110		-,-,,,,22.	<u> </u>

09/03/2002W. R. GRACE & CO. SUBSIDIARIES 000415

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GRACE ERTEKESITO KFT.

65-0773649

	Amount of tax						
(a) Name of country or U.S. possession	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars				
1 U.S.							
2							
· ·			•				
5							
)			······································				
7			1. 1.L V 1				
	<u> </u>		171-1				
8 Total							

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

	Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	1	26,233.	23,369
2a	Trade notes and accounts receivable	2a		
b	Less allowance for bad debts	2b	()	(
3	Inventories	3		
ŀ	Other current assets (attach schedule)	4	0.	0
5	Loans to stockholders and other related persons	5		
•	Investment in subsidiaries (attach schedule)	6		
7	Other investments (attach schedule)	7	0.	0
38	Buildings and other depreciable assets	8a		
b	Less accumulated depreciation	8b	()	(
)a	Depletable assets	9a		· · · · · · · · · · · · · · · · · · ·
þ	Less accumulated depletion	9b	()	(
)	Land (net of any amortization)	10		
ı	Intangible assets:			
a	Goodwill	11a		
b	Organization costs	11b	**********	
C	Patents, trademarks, and other intangible assets	11c		
d	Less accumulated amortization for lines 11a, b, and c	11d	((
2	Other assets (attach schedule)	12	0.	0
3	Total assets	13	26,233.	23,369
	Liabilities and Stockholders' Equity			
1	Assault			
	Accounts payable	14	10 001	7 045
5 5	Other current liabilities (attach schedule)	15	10,831.	-7,846
	Loans from stockholders and other related persons.	16	14,127.	14,449
•	Other liabilities (attach schedule)	17	0.	0
3	Capital stock:			
a	Preferred stock	18a		
b	Common stock	18b		11,190
•	Paid-in or capital surplus (attach reconciliation)	19	0.	36
)	Retained earnings	20	1,275.	5,540
l	Less cost of treasury stock	21	()	(
2	Total liabilities and stockholders' equity	22	26,233.	23,369

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000415 09/03/2002W. R. GRACE & CO. SUBSIDIARIES
GRACE ERTEKESITO KET.

	m 5471 (Rev. 5-2001) GRACE ERTERESTIO RFI.		65-07/36	49	Pag	ge 4
S	hedule G Other Information					
	,				Yes	No
1	During the tax year, did the foreign corporation own at least a 10% in	· · · · · · · · · · · · · · · · · · ·			_	_
	partnership?	• • • • • • • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • • • • • •		. 📙	X
_	If "Yes," see the instructions for required attachment.				_	
2	During the tax year, did the foreign corporation own an interest in an				· 📙	X
3	During the tax year, did the foreign corporation own any foreign entit				_	,
	from their owners under Regulations sections 301,7701-2 and 301.7			• • • • • • • • • • • •	. Ц	Σ
	If "Yes," attach a statement listing the name, country under whose la	ws the entity was orga	nized, and EIN (if any)			
300.00	of each entity.					
	hadule H Current Earnings and Profits (See the inst	•				
	ortant: Enter the amounts on lines 1 through 5c in functional currency.			T		
1	Current year net income or (loss) per foreign books of account			1 1,179	92	4.
_				4 4		
2	Net adjustments made to line 1 to determine current	Net	Net			
	earnings and profits according to U.S. financial and tax accounting standards (see instructions):	Additions	Subtractions			
	· · · · · · · · · · · · · · · · · · ·		<u> </u>			9#9
	Capital gains or losses					
b						
C		.	 			
d			_		(866-861) 4788338	
9			ļ			
1	Inventory adjustments				**********	
g						
h		0.	0.			
3	Total net additions	0.			*) in it
4	Total net subtractions		4	#W2W000#W10011107111		,
5a	Go and brone (mrs c bine miss a miss with 1) : 1 : 1 : 1			5a 1,179	, 92	<u>4.</u>
b				5b		
C				5c 1,179	, 92	<u>4.</u>
d	Commence of the commence of th					_
	section 989(b) and the related regulations) (see instructions)	• • • • • • • • • • • • • • • • • • • •			,11	<u>8.</u>
70°2	Enter exchange rate used for line 5d	- Faralan Osana	0.003490			
	hedule: Summary of Shareholder's Income Fro	m Foreign Corpo	ration (See the instru	ctions.)		
4	Culport Eineann (line 40h Maulahaat & in the instructions)					
•	Subpart F income (line 40b, Worksheet A in the instructions)	************		1	•	
2	Fornings invested in LLC preparts (line 47 Modesheet B in the instan			9		
3	Earnings invested in U.S. property (line 17, Worksheet B in the instru Previously excluded subpart F income withdrawn from qualified investigations).	•		2		
•	instructions)	•		3		
4	Previously excluded export trade income withdrawn from investment			3		
7	in the instructions)	•	•	4		
	an the mendellone)	*************		-		
5	Factoring income			_		
•	racioning siconie		• • • • • • • • • • • • • • • • • • • •	5		
6	Total of lines 4 through 5. Enter here and an your income tay return	Caa instructions		6		^
•	Total of lines 1 through 5. Enter here and on your income tax return.	See msuucuons , ,		0		<u>0.</u>
7	Dividende received (translated at anot rate on narrount data under each	nation 000(h)(4))		7		
•	Dividends received (translated at spot rate on payment date under se	ecaon 989(b)(1))	• • • • • • • • • • • • • • • • • • • •			
8	Evolution of mention of mention of mention of mention of mentions					
_	Exchange gain or (loss) on a distribution of previously taxed income.		*************	8	V	 .
• v	Vas any income of the forcism compression blocked?				Yes	
	Vas any income of the foreign corporation blocked?				H	X
	bid any such income become unblocked during the tax year (see section answer to either question is "Yes," attach an explanation.	υπ 904(α)) (• • • • • • • • • • • • • • • • • • • •	L	Å
	anower to entrer question is nes, attach an explanation.					

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SCHEDULE J (Form 5471)

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(Rev. May 2001) Department of the Treasury Internal Revenue Service

Accumulated Earnings and Profits (E&P) of Controlled Foreign Corporation

▶ Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

W. R. GRACE & CO. SUBSIDIARIES

Identifying number 65-0773649

Name of foreign corporation

GRACE ERTEKESITO KFT.

<u>Gr</u>	CACE ERTEKES	T	,					
Important. Enter amounts in functional currency.		(a) Post-1986 (b) Pre-1987 E Undistributed Not Previous Earnings (post-86 Taxed (pre-8		(section	nstructions) alances)	(d) Total Section 964(a) E&P		
		section 959(c)(3) balance)	section 959(c)(3) balance)	(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	(combine columns (a), (b), and (c))	
1	Balance at	•						
	beginning of year	363,206.					363,206.	
2a	Current year E&P	1,179,924.						
	Current year	<u> </u>						
	deficit in E&P							
3	Total current and							
	accumulated E&P							
	not previously taxed							
	(line 1 plus line 2a,	1,543,130.						
4	Amounts included	1,040,100.						
•	under sec. 951(a) or reclassified under							
	section 959(c) in							
50	current year	4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4						
Ja	or reclassifications							
	of previously							
_	taxed E&P							
Ь	Actual distributions							
	of nonpreviously							
	taxed E&P							
6a	Balance of						State (CONTRACT Trail	
	previously taxed							
	E&P at end of year (line 1 plus line 4.				i			
	minus line 5a)			0.	ا. ه	0.		
ь	Balance of E&P not						557 (276 (818 - 1876 2 - 16 - 17 - 2 + 1	
	previously taxed at							
	end of year (line 3							
	minus line 4, minus line 5b)	1,543,130.	ο.					
	Balance at end of	-, 5-5, 150.	0.				Earthaid (1900) (1900) (1900) (1900)	
	vear. (Enter amount							
	from line 6a / line 6b, whichever is applic.)	1 540 100	^	ا ۾	_	•		
			0.	0.	0.	0.	1,543,130.	
FOR	Paperwork Reduction	s act Notice can the	. Inctrictions for E	arma EA74		Schodule I/Ec	rm 5471) (Bev. 5-2001)	

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

CAA 1 5471J1

NTF 35690

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SCHEDULE M (Form 5471)

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(Rev. May 2001)
Department of the Treasury
Internal Revenue Service

Transactions Between Controlled Foreign Corporation and Shareholders or Other Related Persons

➤ Attach to Form 5471. See Instructions for Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

W. R. GRACE & CO. SUBSIDIARIES

Name of foreign corporation

Identifying number

65-0773649

GRACE ERTEKESITO KFT:

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule > Hungarian Forint 0.0034900 (e) 10% or more U.S. hareholder of controlled foreign corporation (other than the U.S. (f) 10% or more U.S. shareholder of any (C) Any domestic (d) Any other foreign corporation or (a) Transactions (b) U.S. person filing this return corporation or partnership controlled by U.S. person filing this return partnership controlled by U.S. person filing this return corporation controlling the foreign corporation foreign corporation person filing this return) 1 Sales of stock in trade (inventory)....... 2 Sales of property rights (patents, trademarks, etc.). 3 Compensation received for technical, managerial, engineering, construction, or like services..... 4,118 4 Commissions received 5 Rents, royalties, and license fees received...... 6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income). 8 Premiums received for insurance or reinsurance..... 9 Add lines 1 through 8 0. Ο. 4,118 0 10 Purchases of stock in trade (inventory)...... 11 Purchases of tangible property other than stock in trade 12 Purchases of property rights (patents, trademarks, etc.).... 13 Compensation paid for technical, managerial, engineering, construction, or like services...... 14 Commissions paid..... 15 Rents, royalties, and license fees paid..... 16 Dividends paid 18 Add lines 10 through 17 0. 0. Ο. 0. 19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions . . . 6,000. 20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions .

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

000415 09/03/2002 W. R. GRACE & CO. SUBSIDIARIES GRACE ERTEKESITO KFT. Statement 1 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

Description	Functional Currency	U.S. Dollars
OTHER INCOME INTER CORP. OTHER INCOME	-2,823 1,182,747	-10 4,128
Total	1,179,924	4,118

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000415 09/03/2002 W. R. GRACE & CO. SUBSIDIARIES GRACE ERTEKESITO KFT.

Statement 2 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

f.

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Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION ADVERTISING GENERAL STATIONARY AND SU TELEPHONE COMMUNICATIONS OPERATING COSTS EXPENSE TRANSFERS	1,150,073 1,423,414 1,478,156 1,997,118 52,666 -14,784,344	4,014 4,968 5,159 6,970 184 -51,597
Total	-8,682,917	-30,302

000415 09/03/2002 W. R. GRACE & CO. SUBSIDIARIES GRACE ERTEKESITO KFT. Statement 3 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

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Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
INTER CORPORATE BAL. WITH	10,831	-7,846
Total	10,831	-7,846